MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2015/2016

BME2054 – MALAYSIAN ECONOMY

(All sections / Groups)

1 JUNE 2016
2.30 p.m – 4.30 p.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This Question paper consists of 2 pages with 5 Questions only.

2. Attempt **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.

3. Please write all your answers in the Answer Booklet provided.

QUESTION 1

A) How do you measure the quality of life in Malaysia? (5 marks)

B) Explain the importance of an effective policy development for Malaysia and the factors that are important to be considered by policy makers in developing such policies. (7 marks)

C) Explain the significance of Economic Transformation Program (ETP) in driving Malaysia towards vision 2020. (8 marks)

(Total: 20 marks)

QUESTION 2

A) Malaysia's agriculture value added continues to increase since the implementation of National Agriculture Policy (NAP 1 to NAP 3), National Agrofood Policy and National Commodity Policy. In recent years, more issues and challenges in the agriculture sector need to be addressed. This sector is crucial under greater efforts of modernization. Discuss **ANY THREE** critical issues or challenges of driving modernization in agriculture. Also suggest remedies for each issues or challenges. (12 marks)

B) Critically review the trend and contribution of Small and Medium Enterprise (SME) towards Malaysia GDP as given in Table 1:

Table 1
SME GDP Share by Key Economic Activity (constant 2010 prices)

	SME Contribution to GDP			**SME GDP Growth**
	2010 (% share)	**2014 (% share)**	**Increase / decrease in share**	**CAGR[1] 2011 - 2014**
Overall[2]	32.3	35.9	+3.7	8.3
Construction	0.9	2.0	+1.1	28.9
Services	19.6	21.1	+1.5	7.3
Mining and Quarrying	0.0	0.1	+0.1	39.3
Agriculture	4.3	4.5	+0.2	6.7
Manufacturing	7.2	7.8	+0.6	7.5

[1] CAGR refers to compounded annual growth rate
[2] Total value-added after taking into account import duties
Source: Department of Statistics, Malaysia

(8 marks)

(Total: 20 marks)

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QUESTION 3

A) The development of telecommunication sector has promoted the digital lifestyle in Malaysian economy. Describe the trend and growth of telecommunication services in Malaysia based on the policy transformation and product innovation. (10 marks)

B) Tourism is a source of economic growth in Malaysia. Elaborate further the statement with relevant points and examples. (10 marks)

(Total: 20 marks)

QUESTION 4

A) Describe briefly the current challenges facing by financial and banking sector in Malaysia. (6 marks)

B) Explain the changes in the tax structure which has brought to the introduction of the Goods and Services Taxes (GST) in Malaysia. (6 marks)

C) The significant number of foreign manufacturing companies operating in Malaysia has contributed employment and the growth of local supporting industries. Provide the reason(s) why the foreign direct investment (FDI) affiliates can improve the quality of employment and the development of Malaysia's labour force? Discuss the factors that made Malaysia to continuously attract FDI? (8 marks)

(Total: 20 marks)

QUESTION 5

A) Explain briefly the current school education reforms in Malaysia. (6 marks)

B) Discuss **FOUR** factors that are responsible for the growth of private higher education in Malaysia. (6 marks)

C) Globalization connects Malaysia to the rest of the world in various economic contexts. Describe the consequences of globalisation towards the economic well-being in Malaysia. (8 marks)

(Total: 20 marks)

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